SETTLEMENT AGREEMENT BETWEEN MISSOURI REAL ESTATE COMMISSION AND RICHARD H. WORLEY, JR.

THE KAIROS PARTNERSHIP, A LIMITIED LIABILITY COMPANY

Richard H. Worley, Jr. (Worley), The Kairos Partnership, a limitied liability company (Kairos), and the Missouri Real Estate Commission (MREC) enter into this Settlement Agreement for the purpose of resolving the question of whether Kairos' license as real estate association, no. 2004010136, and Worley's license as a broker associate, no. 1999121170, will be subject to discipline. Pursuant to § 536.060, RSMo 2000,¹ the parties hereto waive the right to a hearing by the Administrative Hearing Commission of the State of Missouri and, additionally, the right to a disciplinary hearing before the MREC under § 621.110, RSMo Supp. 2013. The MREC, Worley, and Kairos, jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to § 621.045, RSMo Supp. 2013.

Worley and Kairos acknowledge that they understand the various rights and privileges afforded them by law, including the right to a hearing of the charges against them; the right to appear and be represented by legal counsel; the right to have all charges proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing against them at the hearing; the

¹ All statutory citations are to the 2000 Revised Statutes of Missouri unless otherwise noted.

right to present evidence on their behalf at the hearing; the right to a decision upon the record of the hearing by a fair and impartial administrative hearing commissioner concerning the charges pending against them; the right to a ruling on questions of law by the Administrative Hearing Commission; the right to a disciplinary hearing before the MREC at which time Worley and Kairos may present evidence in mitigation of discipline; the right to a claim for attorney fees and expenses; and the right to obtain judicial review of the decisions of the Administrative Hearing Commission and the MREC.

Being aware of these rights provided to them by law, Worley and Kairos knowingly and voluntarily waive each and every one of these rights and freely enter into this Settlement Agreement and agree to abide by the terms of this document as they pertain to them.

Worley and Kairos acknowledge that they have received a copy of documents that were the basis upon which the MREC determined there was cause for discipline, along with citations to law and/or regulations the MREC believes were violated. Worley and Kairos stipulate that the factual allegations contained in this Settlement Agreement are true and stipulate with the MREC that Worley's license as a broker associate, license no. 1999121170, and Kairos's license as a real estate association, license no. 2004010136 are subject to disciplinary action by the MREC in accordance with the relevant provisions of Chapter 621, RSMo, and §§ 339.010 to 339.205 and §§ 339.710 to 339.855, RSMo, as amended. The parties stipulate and agree that the disciplinary order agreed to by the MREC, Worley and Kairos in Part

II herein, is based only on the agreement set out in Part I herein. Worley and Kairos understand that the MREC may take further disciplinary action against them based on facts or conduct not specifically mentioned in this document that are either now known to the MREC or may be discovered.

I. <u>Joint Stipulation of Facts and Conclusions of Law</u>

Based upon the foregoing, the MREC, Worley, and Kairos, herein jointly stipulate to the following:

- 1. The MREC is an agency of the State of Missouri created and existing pursuant to § 339.120, RSMo Supp. 2013, for the purpose of executing and enforcing the provisions of §§ 339.010 to 339.205 and §§ 339.710 to 339.860, RSMo (as amended), relating to real estate salespersons and brokers.
- 2. Worley holds a license as a broker associate, no. 1999121170. Worley's license was current and active at all times relevant herein.
- 3. Kairos holds a license as a real estate association, no. 2004010136. Kairos's license was current and active at all times relevant herein.
- 4. On January 6, 2014, the MREC sent a letter to Worley, the registered broker for Kairos, at their last registered address with the MREC informing them that they may not be in compliance with Rule 20 CSR 2250-4.030, because the fictitious business name for Kairos had expired. Rule 20 CSR 2250-4.030 states:

Any broker doing business under any name other than the broker's legal name or any entity doing business under any name other than the name registered with the secretary of state, shall first comply with the provisions of sections 417.200-417.230, RSMo on the registration of fictitious names and shall furnish the commission a copy of the registration within ten (10) days of the receipt of the official registration from the secretary of state.

- 5. The January 6th letter also advised them that, according to 20 CSR 2250-8.170(1), they had thirty (30) days from the date of the letter to respond in writing or there would be grounds for disciplinary action.
- 6. On February 25, 2014, the MREC re-sent the January 6th letter to Worley and Kairos renewing its request.
- 7. Worley and Kairos did not respond in writing to the MREC's written requests.
- 8. Because Worley and Kairos have failed to respond in writing to the MREC's written requests or inquiries, they have violated 20 CSR 2250-8.170(1), which states:

Failure of a licensee to respond in writing, within thirty (30) days from the date of the commission's written request or inquiry, mailed to the licensee's address currently registered with the commission, will be sufficient grounds for taking disciplinary action against that licensee.

- 9. Based on Worley and Kairos's violation of 20 CSR 2250-8.170(1) and 20 CSR 2250-4.030, cause exists to discipline Worley's and Kairos's licenses pursuant to § 339.100.2(15), RSMo Supp. 2013, which states:
 - 2. The commission may cause a complaint to be filed with the administrative hearing commission as provided by the provisions of chapter 621, RSMo, against any person or entity licensed under this chapter or any licensee who has failed to renew or has surrendered his or her individual or entity license for any one or any combination of the following acts:

* * *

(15) Violation of, or attempting to violate, directly or indirectly, or assisting or enabling any person to violate, any provision of sections 339.010 to 339.180 and sections 339.710 to 339.860, or of any lawful rule adopted pursuant to sections 339.010 to 339.180 and sections 339.710 to 339.860[.]

II. Joint Agreed Disciplinary Order

Based on the foregoing, the parties mutually agree and stipulate that the following shall constitute the disciplinary order entered by the MREC in this matter under the authority of § 536.060, RSMo, and §§ 621.045.3 and 621.110, RSMo Supp. 2013.

- 10. <u>Civil Penalty.</u> Worley and Kairos agree to pay a civil penalty of \$500. Said penalty is authorized under § 339.205, RSMo Supp. 2013.
- 11. Worley and Kairos agree to pay the \$500 civil penalty by certified check made payable to the "Missouri Real Estate Commission, State of Missouri" and mailed to Missouri Real Estate Commission, P.O. Box 1339, Jefferson City, MO 65102-1339. Kairos and Worley shall postmark and mail or hand deliver said check within 60 days of the date when this Settlement Agreement becomes effective.
- 12. In the event the MREC determines that Kairos and Worley has failed to pay any portion of the \$500 agreed upon herein or has violated any other term or condition of this Settlement Agreement, the MREC may, in its discretion: (1) notify the Attorney General who "may commence an action to recover the amount of the

penalty, including reasonable attorney fees and costs and a surcharge of fifteen percent of the penalty plus ten percent per annum on any amounts owed" under § 339.205.4, RSMo Supp. 2013; (2) after an evidentiary hearing, vacate and set aside the penalty imposed herein and may probate, suspend, revoke, or otherwise lawfully discipline Worley and Kairos' licenses under § 324.042, RSMo. Supp. 2013; and (3) deny, discipline, or refuse to renew or reinstate Worley and Kairos' licenses under § 339.205.7, RSMo Supp. 2013.

- 13. This Settlement Agreement does not bind the MREC or restrict the remedies available to it concerning any future violations by Worley and Kairos of §§ 339.010 to 339.205 and §§ 339.710 to 339.855, RSMo, as amended, or the regulations promulgated thereunder, or of the terms and conditions of this Settlement Agreement.
- 14. This Settlement Agreement does not bind the MREC or restrict the remedies available to it concerning facts or conduct not specifically mentioned in this Settlement Agreement that are either now known to the MREC or may be discovered.
- 15. Each party agrees to pay all their own fees and expenses incurred as a result of this case, its litigation, and/or its settlement.
- 16. The terms of this Settlement Agreement are contractual, legally enforceable, and binding, not merely recital. Except as otherwise contained herein, neither this Settlement Agreement nor any of its provisions may be changed, waived, discharged, or terminated, except by an instrument in writing signed by the

party against whom the enforcement of the change, waiver, discharge, or termination is sought.

- 17. The parties to this Settlement Agreement understand that the MREC will maintain this Settlement Agreement as an open record of the MREC as required by Chapters 324, 339, and 610, RSMo, as amended.
- 18. Worley and Kairos, together with their partners, members, managers, heirs, assigns, agents, employees, representatives and attorneys, do hereby waive, release, acquit and forever discharge the MREC, its respective members, employees, agents and attorneys including former members, employees, agents and attorneys, of, or from any liability, claim, actions, causes of action, fees, costs, expenses and compensation, including, but not limited to, any claim for attorney's fees and expenses, whether or not now known or contemplated, including, but not limited to, any claims pursuant to § 536.087, RSMo (as amended), or any claim arising under 42 U.S.C. § 1983, which now or in the future may be based upon, arise out of, or relate to any of the matters raised in this case or its litigation or from the negotiation or execution of this Settlement Agreement. The parties acknowledge that this paragraph is severable from the remaining portions of the Settlement Agreement in that it survives in perpetuity even in the event that any court or administrative tribunal deems this agreement or any portion thereof void or unenforceable.
- 19. Worley and Kairos understand that they may, either at the time the Settlement Agreement is signed by all parties, or within fifteen days thereafter,

submit the agreement to the Administrative Hearing Commission for determination that the facts agreed to by the parties constitute grounds for disciplining Worley and Kairos' licenses. If Worley and/or Kairos desire the Administrative Hearing Commission to review this Settlement Agreement, they may submit their request to: Administrative Hearing Commission, Truman State Office Building, Room 640, 301 W. High Street, P.O. Box 1557, Jefferson City, Missouri 65102.

20. If Worley and/or Kairos requests review, this Settlement Agreement shall become effective on the date the Administrative Hearing Commission issues its order finding that the Settlement Agreement sets forth cause for disciplining Worley and/or Kairos' license(s). If the Administrative Hearing Commission issues an order stating that the Settlement Agreement does not set forth cause for discipline, then the MREC may proceed to seek discipline against Worley and/or Kairos, as allowed by law. If Worley and/or Kairos do not request review by the Administrative Hearing Commission, the Settlement Agreement goes into effect 15 days after the document is signed by the Executive Director of the MREC.

LICENSEE Veelas H Vorley, Jr Date LICENSEE Date	Joseph Denkler, Executive Director Date:
The Kairos Partnership, a limited liability company By: Seelas It Worling &	CHRIS KOSTER Attorney General
Name: Achare (H. Worley (F Title: Armeinal	Faraz Nayyar Assistant Attorney General Missouri Bar No. 64296

Supreme Court Building 207 West High Street P.O. Box 899 Jefferson City, MO 65102 Telephone: (573) 751-7728 Telefax: (573) 751-5660 Attorneys for the MREC